

# OCHR FactSheet

## Questions and Answers Regarding Civilian Employee Furloughs

*Issued: April 2011*

### SPECIAL ISSUE

This Fact Sheet:

- Provides basic overview of possible furlough actions
- Answers questions regarding the impact of a possible furlough on DON civilian employees and their benefits and compensation

### Table of Contents

Questions are arranged by issue type, including:

Pg. 1 – Overview

Pg. 1 – During a Furlough

Pg. 2 – Leave

Pg. 3 – Compensation and Benefits

## FREQUENTLY ASKED QUESTIONS ON CIVILIAN EMPLOYEE FURLOUGHS

### Overview

#### Q. What is a furlough?

A. In this case, a furlough places appropriated-fund employees in a temporary non-duty, non-pay status because of an absence of appropriations.

#### Q. Why would Department of Navy (DON) employees be furloughed?

A. In the absence of either a Fiscal Year 2011 appropriation or a continuing resolution for the DoD, no further financial obligations may be incurred by the DON, except for those related to the orderly suspension of operations or performance of excepted functions as defined by the Office of Management and Budget.

#### Q. When would a furlough take effect?

A. If DoD does not have an appropriations extension by midnight, 8 April 2011, the DON will be required to limit operations to only those deemed excepted from a furlough (directed to work).

#### Q. Which employees or positions are excepted from a furlough (directed to work)?

A. An excepted (directed to work) employee refers to employees who are excepted from a furlough by law because they are: (1) performing emergency work involving the safety of human life or the protection of property; (2) involved in the orderly suspension of agency operations; or (3) conducting other functions excepted from the furlough.

#### Q. How are excepted (directed to work) employees determined?

A. Each major command will identify excepted functions within the command that meet the parameters outlined by DoD and are driven by program requirements.

### During a Furlough

#### Q. Can I volunteer to do my job on a non-pay basis during a furlough period?

A. No. DON may not accept the voluntary services of an individual.

#### Q. What happens if I am on TDY while furloughed?

A. All non-excepted (furloughed) civilian employees on TDY during a lapse in FY2011 appropriations will return to their home station as part of the DoD orderly shutdown process using the government-issued credit card.

#### Q. Can I take another job outside the federal government while on furlough?

A. Perhaps; while on furlough, an individual remains an employee of the government, and other employment must be approved by the agency's ethics counselor and consistent with the Executive Branch standards of ethical conduct.



**Q. Am I entitled to unemployment compensation while on furlough?**

A. It is possible that furloughed employees may be eligible for unemployment compensation. State unemployment compensation requirements differ. Employees should submit their questions to the appropriate state office. Furloughed employees will receive the SF-8, the form needed to file for unemployment compensation.

**Q. Is unemployment compensation based on the state where you live, or the state where you work?**

A. Unemployment compensation is based on the state in which the work was performed. This does not include overseas employees.

**Q. Can excepted (directed to work) employees file for unemployment, since they are not getting paid?**

A. No, excepted employees cannot file an unemployment claim, since they are not unemployed.

**Q. How do I know when to report to work again after the furlough is over?**

A. Employees should follow media reports, including checking official websites such as the Office of Personnel Management site, for information pertaining to the signing of a continuing resolution or an appropriation, after which the employee is expected to return to duty on the next regular duty day.

**Q. Can furloughed employees be recalled to duty during the furlough?**

A. Activities may recall non-excepted (furloughed) employees based on mission requirements.

**Leave****Q. What happens if I had leave scheduled during a furlough?**

A. Upon furlough, all scheduled leave (e.g., annual leave, sick leave) is canceled for all excepted (directed to work) and non-excepted (furloughed) employees. Absences during the furlough may not be charged to leave. Excepted employees (directed to work) unable to report to duty due to illness, jury duty, etc. must be placed in a furlough status.

**Q. If an employee is on leave under the Family and Medical Leave Act of 1993 (FMLA) during the furlough, does the leave count towards the 12-week entitlement to FMLA leave?**

A. An employee who is on approved LWOP under the FMLA on days that coincide with the period of furlough will continue to be charged LWOP. Consistent with law and regulations, the LWOP taken under the FMLA is part of the 12-week entitlement. However, an employee who was scheduled during the furlough to take paid leave under the FMLA (i.e., an employee chooses to substitute annual leave or sick leave, as appropriate, for unpaid leave under the FMLA) must be placed on furlough instead. Since the paid leave was canceled, the period of absence may not be used to reduce the 12-week entitlement to FMLA leave.

**Effects of a Furlough on Service Credit**

*Time spent in a non-pay status (including furlough) is credited as follows:*

**Career tenure:** The first 30 calendar days of each non-pay period is creditable service.

**Probationary period:** An aggregate of 22 workdays in a non-pay status is creditable service.

**Qualification standards:** There is no requirement to extend qualifying periods by the amount of time spent in a non-pay status. However, activities may require a corresponding time in a pay status to meet training requirements or ability to perform.

**Time-in-Grade:** Non-pay status is creditable service and, therefore, counts toward time-in-grade.

**Impact on Leave (Service Computation Date):** While employees in a non-pay status do not accrue additional leave, up to 6 months spent in a non-pay status is creditable service (i.e. counts toward the **rate** of leave accrual)

**Q. I am out on worker's compensation and I am being furloughed. Will I get paid?**

- A. Yes. FECA wage-loss compensation (worker's compensation) is not considered wages; therefore, it is not impacted by the lapse in appropriations.

**Benefits and Compensation****Q. I'm planning on retiring within the next three years. Will time in a furlough status have an effect on my high-3 average?**

- A. Generally there will be no effect on the high-3 average unless the furlough causes the employee to be in a non-pay status for more than six months during the calendar year.

**Q. How does being furloughed affect my health insurance coverage?**

- A. Federal Employee Health Benefit (FEHB) enrollment continues up to 365 days in a non-pay status. The government contribution continues while employees are in a non-pay status. The employee can choose between paying the agency directly on a current basis while in a non-pay status or having the premiums accumulate and be withheld from pay upon returning to duty.

**Q. Is furlough or leave without pay (LWOP) considered a break in service?**

- A. No, both mean the employee is in a non-pay, non-duty status for those days/hours. Remember, even while on furlough, an individual is an employee of the government.

**Q. Can I take a TSP loan while I'm furloughed?**

- A. Yes. By law, a TSP participant may take a TSP loan any time before separation. The TSP has adopted an administrative rule that provides that TSP participants must be in a pay status in order to take a TSP loan. The TSP adopted this rule because it generally requires TSP participants to agree to repay their loans through payroll deduction. The first payment is due on or before the 60th day following the loan issue date. Since shutdowns are rare occurrences and are typically of short duration, the TSP's Executive Director has determined that it is in the best interest of TSP participants to interpret the requirement that participants be in a pay status to mean that a break in pay due to a Government shutdown does not disqualify one from TSP loan eligibility. A short-term break in pay status would still allow participants to commence payment by payroll deduction within the required 60 days of the loan issue date. If a shutdown were to extend beyond 60 days, participants would still be responsible for making loan payments. For further information, visit the TSP website at [www.tsp.gov/](http://www.tsp.gov/).

**Q. To what extent does non-pay status affect Long Term Care coverage?**

- A. Deductions cease when the employee is placed in a non-pay status and there are insufficient funds to cover the premium(s). In order to continue LTC coverage, the employee must make payments while in a non-pay status. Visit the LTC website, <https://www.ltcfeds.com/documents>, for more information.

**Q. To what extent does non-pay status affect Federal Employees Dental and Vision Insurance Plan (FEDVIP) coverage?**

- A. FEDVIP deductions cease when an employee is placed in a non-pay status and there are insufficient funds to cover the premium(s). In order for FEDVIP coverage to continue, employees must make payment while in a non-pay status. If premiums are not paid, coverage will be terminated at the end of the pay period in which premiums were last paid. To avoid termination of FEDVIP benefits, an employee can be moved to a direct bill payment plan, by request. With this option, an employee would receive a statement by postal delivery and the invoice must be paid by check. Employees are required to pay all direct bills IN FULL to avoid the cancellation of their coverage/plan. If a full payment is not received by the due date, the coverage will be cancelled.

**Where to Find Additional Information**

Additional information on furloughs may be found at the DoD CPMS website at [www.cpms.osd.mil/](http://www.cpms.osd.mil/), the Office of Personnel Management at [www.opm.gov/furlough/furlough.asp](http://www.opm.gov/furlough/furlough.asp) and the DON at [www.public.navy.mil/donhr](http://www.public.navy.mil/donhr).



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